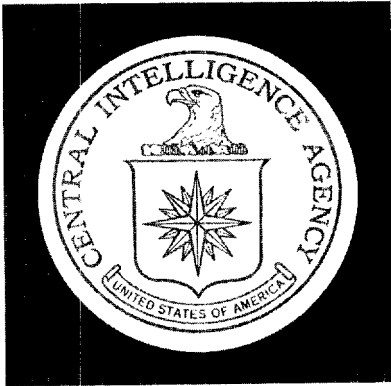


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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Secret

W8
28 April 1967
No. 0287/67

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State Dept. review completed

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C O N T E N T S

(Information as of noon EST, 27 April 1967)

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- VENEZUELAN-GUYANESE RELATIONS WORSEN 30
Guyana has asked for the recall of a Venezuelan intelligence officer who rigged a meeting of Guyanese tribal chiefs in support of Venezuela's claim to more than two thirds of Guyana.

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FAR EAST

The intensification of American air attacks on targets in the Hanoi-Haiphong area so far has drawn no major political reaction from the Communist powers. Neither Peking nor Hanoi has publicly acknowledged the strikes against two North Vietnamese air bases, although both regimes have issued highly exaggerated claims of US air losses. A Chinese Foreign Ministry statement was confined to repeating the noncommittal theme of China's readiness to make "maximum national sacrifices" in supporting Hanoi.

As the Constituent Assembly in Saigon prepares to deliberate on electoral laws, supporters of civilian and military presidential candidates are battling for the most advantageous terms. Pro-military members are seeking to block a provision requiring a runoff election between the two candidates with the largest pluralities. Chief of State Thieu continues to defer his decision on whether to bid for the military nomination for the presidency.

There are no signs of an early break in the impasse in China. Despite recent efforts by the Mao-Lin faction to display confidence and success, it has made little progress in restoring the shattered governing apparatus in the provinces, most of which remain under the control of military commanders. The fundamental political instability in Peking is reflected by the fact that only seven politburo members remain active out of the 25-man group installed last August. Moreover, less than one third of the central committee members are still in good standing.

Sino-Indonesian relations have taken another sharp decline. Growing harassment of the Indonesian Embassy in Peking suggests that the Chinese are prepared to risk a diplomatic break. Djakarta, however, probably wishes to avoid a complete rupture, primarily because of its effect on Indonesia's standing as a nonaligned nation. [REDACTED]

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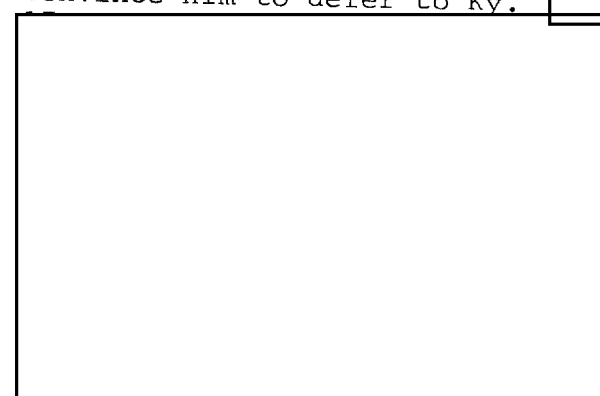
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VIETNAM

The work of drafting South Vietnam's national election regulations is now under way in the Constituent Assembly. This may increase the pressure on Premier Ky and Chief of State Thieu to come to terms over their rival presidential ambitions.

Thieu reportedly believes that selection of a military candidate should be deferred until the laws are completed. Since completion is possible by mid-May, it appears that he cannot much longer avoid a decision whether or not to run.

Ky for his part, has resorted to a number of devices designed to skirt a direct confrontation with Thieu and still convince him to defer to Ky.



a formal military vote. Several of the top generals probably remain divided in their loyalties and all are aware of the disadvantages of openly taking sides. So far, both Ky and Thieu have been reluctant to call upon them to decide the question.

Outside the military, Ky continues to enlist support among

the multifarious political and religious organizations that could act as the basis of a civilian political front for his candidacy. A recent poll of students in Hue and Saigon, in which Ky emerged as the favored choice over Thieu, is being used as evidence to convince military officers, especially those close to Thieu, of the logic of Ky's candidacy.



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one of Ky's supporters is strategically placed at the head of the Constituent Assembly subcommittee that is drafting the presidential election laws.

Despite Ky's drive to become the military candidate, Thieu is apparently still in the running. Thieu has not pursued the nomination in the flamboyant style of Ky but,

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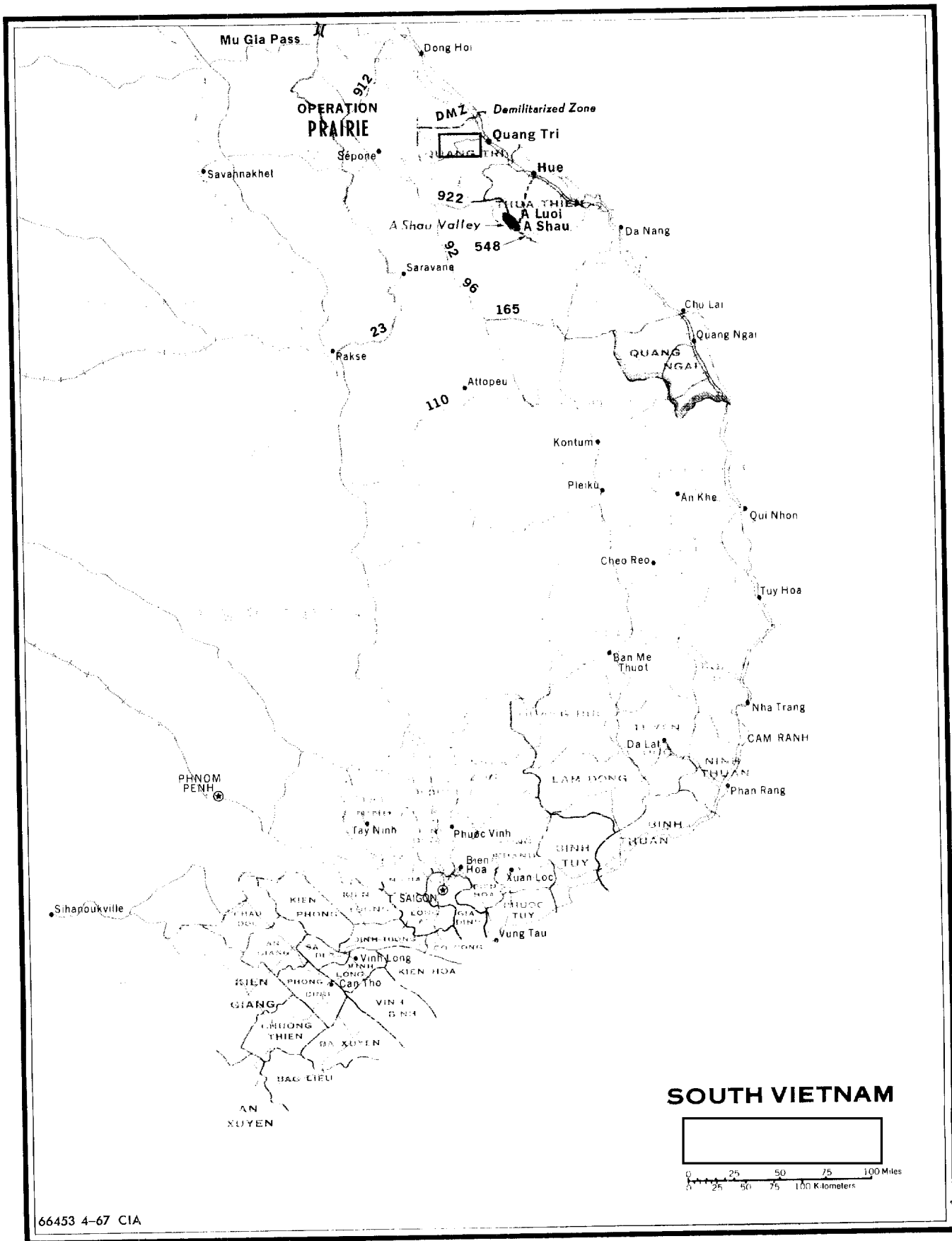
he would accept the candidacy if it came as a clear mandate from the Directorate or the Armed Forces Congress. Since Ky evidently does not believe that such a mandate for Thieu will be forthcoming, his impatience with Thieu's continued procrastination appears to be increasing.

South Vietnam Military

Several skirmishes in South Vietnam's northern provinces, where the Communists apparently continue offensive preparations,

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have punctuated a relative lull in fighting. US Marine and other allied forces launched three new battalion and larger size search-and-destroy operations in this area, and a new phase of long-term Operation PRAIRIE was begun immediately below the Demilitarized Zone (DMZ).

Unconfirmed reports of Communist plans for additional attacks on Quang Tri city and on Hue, as well as on various district headquarters, continue to be received. In addition, a North Vietnamese Army defector in Quang Ngai Province has stated that Communist forces in the southern part of I Corps intend to coordinate their attacks with those of North Vietnamese troops in the DMZ - Quang Tri - Thua Thien area.

Further evidence of a build-up in the A Shau Valley of western Thua Thien Province and in the adjacent Laotian panhandle area has been obtained. Trucks, trailers, and quantities of oil or gasoline drums have been sighted at two abandoned airfields at A Shau and A Luoi. Truck traffic nearly three miles southeast of A Shau may indicate that Route 548--which is joined to motorable Route 922 from Laos--is being improved and extended southward. The reported positioning of troops near the main trail eastward from A Shau toward Hue suggests that

the Communists may intend to improve the trail.

Laos Panhandle Activity

Communist use of the road network in the Laos panhandle is increasing. Supplies handled by this network since last October appear greater than during any previous dry season. Preliminary estimates indicate that by June, when the season ends, over 20,000 tons of supplies may have been brought into Laos from North Vietnam by the Mu Gia Pass route alone, with an additional but unknown quantity brought in by way of Route 912. In comparison, total supplies brought into the panhandle from North Vietnam during the 1965-66 dry season are estimated at about 17,000 tons, and for the 1964-65 season at 7,000 tons.

Other supplies, principally foodstuffs, also have been transported into the southern portion of the panhandle from Cambodia since late 1965.

The amounts involved in this traffic may range from ten to 20 tons a day, but a firm estimate is not possible.

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To ensure that the panhandle road network can cope with the growing burden placed upon it by the increased tonnage requirement, as well as with stepped up US interdiction, the Communists have continued to improve it. Route 165 has been extended eastward for about ten miles, reaching almost to the South Vietnamese border. Intensive bypass construction also has been completed on key portions of the network south of Mu Gia Pass. In addition, projects in anticipation of the rainy season--due in about a month--recently have been observed along sections of Routes 23, 92, 96, and 110. These measures, which include the corduroying of road segments and the construction of bypasses over high ground, appear to be more widespread than in previous years. If the Communists continue these intensified preparations against flood over the next several weeks and if repair crews are kept on the job throughout the monsoon period, they may be able for the first time to maintain a significant level of truck

traffic throughout the panhandle during a rainy season.

North Vietnam Military

US pilots reported that all North Vietnamese air defense elements were exceptionally active and aggressive throughout the past week of raids against major military and industrial targets in the Hanoi-Haiphong area. The fact that US planes were striking MIG airfields and other key targets at the center of North Vietnam's air defense system accounts, in part, for the unusually high level of MIG activity, missile launches, and AAA fire.

The air defense system downed 16 US aircraft during this period. Missiles and ground fire accounted for five aircraft each, while four planes were lost to MIGs and two to unknown causes. At least two MIG-17s and a MIG-21 were shot down in an unprecedented number of air battles. [REDACTED]

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NEW COMMUNIST PUSH POSSIBLE IN LAOS

The Communists may be preparing a new drive against key government positions in northeastern Laos. In early April, Pathet Lao and North Vietnamese units dislodged progovernment forces from Nong Khang, an observation and harassment outpost near Sam Neua town. Nong Khang had withstood a concerted attack in January. Its capture increases the likelihood that other guerrilla bases behind Communist lines, such as Na Khang and Phou Pha Ti, will be Communist targets before the arrival of rainy weather in the next few weeks. Low-level reports indicate that a build-up around these bases is already under way.

Small-scale Communist gains have occurred regularly during recent dry seasons, but government troops and guerrilla forces have retaken such posts with equal regularity during the monsoons.

Elsewhere in northern Laos, increased Communist trucking along Route 7 west of Ban Ban raises the possibility of stepped-up guerrilla activity in the Plain of Jars area. About 18 trucks per day have been observed moving westward recently, roughly double the January-March average, but far less than the more than 90 trucks per day observed moving west along Route 7 in North Vietnam in early April. This intensive traffic, coupled with the relatively leisurely transport activity inside Laos, suggests a Communist effort to stockpile supplies in a known, extensive forward area for gradual transfer onward during the rainy season.

In the south, General Phasouk, regional Laotian Army commander, recently renewed a clearing operation near Lao Ngam on the edge of the Bolovens plateau. Although little fighting has yet ensued, the operation is notable because of the participation of elements of a neutralist unit, GM 802. This force, long based in the north at Muong Soui, is led by Colonel Sing, one of the officers who ousted neutralist commander Kong Le last year. The use of these airlifted troops in the Lao Ngam operation may provide an early indication that progress has been made toward the eventual integration of neutralist forces into the Laotian Army command structure.



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CONTINUED INSTABILITY IN CHINESE COMMUNIST LEADERSHIP

The apparent fall in the past month of five more politburo members has reduced to seven the number of active members left out of the 25-man group installed last August. The central committee itself has fared no better; apparently less than one third of its members are still in good standing. Despite the Mao-Lin faction's efforts to display confidence and success, it has made little progress toward restoring the shattered governing apparatus in the provinces, most of which are now under the control of military commanders. Even the new "revolutionary committee" just formed in the Peking municipality is dominated by the same officials who have been running the city since January.

The Continuing Purge

Recent public appearances of leaders suggest that the working team just below the ruling triumvirate of Mao Tse-tung, Lin Piao, and Chou En-lai has been reduced to a handful of propagandists, two policemen, one economist, and two military men. This group attended a major rally in Peking on 20 April, and accompanied Mao and Lin in one of their rare public appearances on 24 April when they received provincial officials.

Propaganda treatment of these events indicates an intention to display leaders currently in good standing. Five politburo members recently criticized by Red Guards

were absent, suggesting they are now in disfavor. They are Foreign Minister Chen Yi, economic specialists Tan Chen-lin and Li Hsien-nien, and two vice chairmen of the Military Affairs Committee--Hsu Hsiang-chien and Yeh Chien-ying. Chen Yi, however, continues to perform his official functions and made a speech at a reception given by the Tanzanian ambassador on 26 April.

Of the 25 men installed in the politburo last August, only Mao, Lin, Chou, and four others are still clearly in good standing. In the past year, the central committee has been hit by a purge of Stalinist proportions. It has 173 full and alternate members, but about 42 were unimportant (old or already out of favor) before the Cultural Revolution. Of the remaining 131, 65 have come under heavy attack, the status of 38 is uncertain, and only 28 are clearly in good standing.

One recent addition to the list of prominent leaders is Yeh Chun, believed to be Lin Piao's wife. Until last summer, Yeh Chun, like Madame Mao, had been in relative obscurity. She first began showing up in elite turnouts of leaders on 25 March, and attended the rally on 20 April as a member of the army's Cultural Revolution Group. The role of Madame Mao and Madame Lin presumably is to represent their husbands at meetings which they themselves do not attend. The

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appearance by Mao and Lin on 24 April was their first before a Chinese audience in nearly five months.

Peking and the Provinces

The "revolutionary committee" inaugurated to run Peking city on 20 April will be dominated by the same military and security officials who have been running the capital for months. Its chairman is Minister of Public Security Hsieh Fu-chih, and two of its four vice chairmen are ranking officers of the Peking Garrison Command. The other vice chairmen are former party secretary Wu Te and a "revolutionary" student leader--included to show that the committee is adopting the approved Maoist principle of forming a "three-way alliance."

Despite three months in preparing for the new committee, it still seems not fully organized. The announcement of a new standing committee conceded that six members were yet to be nominated. The "revolutionary committee" has not yet issued the usual inaugural declaration or manifesto; a poster put up on 21 April explained that Mao had rejected a proposed draft because it lacked enough force and "historical meaning." The major speakers at the inaugural ceremony--Hsieh Fu-chih, Chou En-

lai, and Madame Mao--all agreed that formation of the committee had been a lengthy and difficult process. Madame Mao warned that the situation is "still unstable and may have reversals," and alluded to conflicts between the military and "revolutionary" forces.

Chou and other speakers stressed that it was easier to seize power than to consolidate it, a proposition apparently applicable throughout China. Only Peking, Shanghai, and four provinces have yet formed "revolutionary committees," and Peking's is the first to emerge in more than two months. Since January, most of the remaining 22 province-level entities have been run by caretaker military governments, which may be entrenching themselves. Peking is now saying that the task of reforming local governments should be deferred until Mao's enemies are thoroughly crushed. An editorial in the 21 April People's Daily sounded an unusually pessimistic note when it said that the enemy is still stubbornly fighting while "problems exist within our own ranks." It said the most urgent task for provinces is not to proceed with reorganization efforts, but to attack Chief of State Liu Shao-chi and bring down his alleged followers.

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INDONESIAN-CHINESE RELATIONS DECLINE SHARPLY

Sino-Indonesian relations, which have been strained since the abortive coup of October 1965 led to a reversal of Indonesia's pro-Peking foreign policy, have deteriorated further.

The latest round of incidents and recriminations has culminated in the expulsion by each country of the other's top diplomats. On 24 April, Indonesia expelled the Chinese Communist chargé d'affaires and consul general in Djakarta for organizing a demonstration against the Indonesian Government. Within hours, China retaliated by ordering the Indonesian chargé and counselor from Peking.

These developments appear to have had their beginning in March in East Java where the Chinese community instituted an economic "slowdown" and demonstrated against severe economic restrictions imposed by the local military commander on resident Chinese citizens. East Java military elements buttressed their own campaign by charging the local Chinese with subversion.

Arrests of Chinese businessmen in Djakarta in late March and early April apparently were related to events in East Java. One of those arrested in Djakarta, accused by the government of subversive activity, died under interrogation. His death prompted the demonstration that provoked Djakarta's expulsion of the two Chinese officials. Paralleling official action, the Indonesian public has

perpetrated numerous anti-Chinese incidents and abuses.

Having permitted anti-Chinese manifestations to reach their present level, the Indonesian Government now seems intent on stopping them. Acting President Suharto and his associates are aware of the far-reaching economic dislocations that could result from extensive action against the local Chinese business community. Foreign Minister Malik, the Djakarta military commander, and a representative of General Suharto have separately warned student leaders in particular and the public generally against anti-Chinese action.

Although Peking retains ties with remnants of the Indonesian Communist Party and probably attaches some value to its embassy in Djakarta as a link with the Overseas Chinese, it now appears willing to risk provoking a diplomatic break. In responding to the events in Indonesia, Peking has sharply increased harassment of Indonesian Embassy personnel. During four days of violent demonstrations, mobs have smashed the windows of the chargé's car and burned Indonesian leaders in effigy.

Djakarta shows no disposition to break relations with China. Several Indonesian leaders have told US Embassy officers within the past week that although their government has ample evidence to justify a break, it believes that a rupture would only create new problems. [REDACTED]

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PAK LIKELY TO BE RE-ELECTED IN SOUTH KOREA

President Pak Chong-hui's stature as a national leader together with his well-oiled political machine make him a strong favorite to win another term in South Korea's presidential election on 3 May.

Pak is making his success in promoting Korea's economic and political progress and in adding to its standing abroad the main campaign issue. He is also emphasizing the need for a renewed mandate to assure continued growth. Despite the government's nominal neutrality, officials at all levels, as well as the full apparatus of the ruling Democratic Republican Party (DRP) are strenuously working for the 49-year-old Pak. In the immediate pre-election period, the government has been striving to lend substance to its claims of progress and to curry favor with key groups. Measures include dedication of unfinished industrial plants, and implementation of military and civil service pay increases as well as reductions in the price of fertilizers.

petty bureaucratic and police harassment of Yun's campaign, however, the regime so far has avoided overt actions that might discredit the election results.

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Although Yun lost the 1963 presidential election to Pak by only 156,000 votes in a total of some 11,000,000, much of his former popularity has been dissipated by the obstructionist character of his opposition and by factional fights with his political colleagues. Despite his emphasis on the usually volatile issues of government corruption and political oppression, his campaign has failed to capture the public imagination. Relations with Japan are going smoothly, the commitment of Korean troops to Vietnam is generally accepted, and a major scandal last year involving government collusion in smuggling has faded from memory. Korea's predominantly rural electorate does gripe about low rice prices and about high fertilizer and education costs, but Yun has not found a formula to translate these issues into support for himself. Yun's strength is concentrated in the cities which traditionally tend to oppose whatever government is in power.

Except for a certain amount of

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EUROPE

Adjourning a day ahead of schedule, the conference of European Communist parties held in Czechoslovakia from 24 to 26 April produced no new approaches to international problems. The conferees demanded Western acceptance of the status quo in central Europe on Communist terms, proposed a treaty banning the use or threat of force, and pledged support to the shopworn idea of a conference on European security. The participants evidently exchanged assurances, good at least for the present, on how to deal with West Germany's new Eastern policy, and Hungary's Kadar announced that Budapest will sign a mutual defense pact with East Germany.

The conference will be represented as expressing the will of the entire international movement and as evidence of its unity. In fact, however, it can hardly be regarded as even regionally representative since a number of European parties stayed away.

US and allied activity in Vietnam during the week drew predictable protests from Moscow. Australia, Thailand, and New Zealand were berated in official Soviet protest notes for assisting US "aggression" in Vietnam. In addition, TASS carried a Soviet Geneva cochairman note condemning US "violations" of Laotian neutrality, and the Soviet ambassador in Laos chided Souvanna Phouma for condoning US activities there.

Speculation grew during the week that Britain's Prime Minister Wilson will announce a bid to enter the European Economic Community before Parliament recesses on 12 May. Delay in completing Kennedy Round bargaining may complicate Wilson's tactics, since he is said to be hesitant to complicate the tense final stages of those negotiations. [REDACTED]

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EAST GERMAN CONGRESS INTRODUCES NO POLICY SHIFTS

The congress of the East German Socialist Unity Party (SED) from 17 to 22 April stressed continuity and stability, in contrast to congresses in 1963 and 1958 that promulgated new policies on the Berlin question and the domestic economy.

The emphasis on continuity was evident in the selection of the new membership of the top party echelon. Following the precedent established at county and district party meetings in the preceding three months, all incumbent members of the politburo and secretariat were reappointed. Horst Sindermann, conservative-minded boss of Halle district, was promoted from candidate to full membership on the 15-man politburo. Two "technical specialists," labor and wage expert Walter Halbritter and automatic data processing expert Guenter Kleiber, were appointed candidate members. Agitation specialist Werner Lamberz is the only new face on the ten-man secretariat. The listing of Erich Honecker's name on the secretariat--out of alphabetical order and immediately after that of Ulbricht--would seem to confirm him as heir-presumptive to the chairmanship.

In the economic field, the congress called for improved living standards and an upward revision of planning goals for 1966-70. Ulbricht's recommended introduction of a five-day workweek next September, however, was linked to a reduction in the number of work-free holidays. New planned growth rates for 1966-70 generally are higher than those set in 1964 for the

period 1964-70, and also are higher than the rates achieved during 1964-66. The increase reflects Pankow's desire to narrow the economic gap with West Germany, but it is unlikely to be achieved.

EAST GERMAN PARTY HIERARCHY

OLD

NEW

Politburo: Full Members

Walter Ulbricht	Walter Ulbricht
Friedrich Ebert	Friedrich Ebert
Paul Froehlich	Paul Froehlich
Gerhard Grueneberg	Gerhard Grueneberg
Kurt Hager	Kurt Hager
Erich Honecker	Erich Honecker
Hermann Matern	Hermann Matern
Guenter Mittag	Guenter Mittag
Erich Mueckenberger	Erich Mueckenberger
Alfred Neumann	Alfred Neumann
Albert Norden	Albert Norden
	Horst Sindermann
Willi Stoph	Willi Stoph
Paul Verner	Paul Verner
Herbert Warnke	Herbert Warnke

Politburo: Candidate Members

Hermann Axen	Hermann Axen
Georg Ewald	Georg Ewald
	Walter Halbritter
Werner Jarowinsky	Werner Jarowinsky
	Guenter Kleiber
Margarete Mueller	Margarete Mueller
Horst Sindermann	

Secretariat

Walter Ulbricht	Walter Ulbricht
Hermann Axen	Erich Honecker
Gerhard Grueneberg	Hermann Axen
Kurt Hager	Gerhard Grueneberg
Erich Honecker	Kurt Hager
Werner Jarowinsky	Werner Jarowinsky
	Werner Lamberz
Guenter Mittag	Guenter Mittag
Albert Norden	Albert Norden
Paul Verner	Paul Verner

Blue indicates new member

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The subject of West Germany, predictably, dominated the discussions of foreign policy. Faced with varying degrees of eagerness on the part of its Eastern European allies to establish diplomatic relations with West Germany, the SED felt compelled to reply to the unexpected West German proposals for improved relations that had been issued a few days before the congress began.

Ulbricht's response, however, showed no willingness to agree on a definition of the issues that could be negotiated. The major Eastern European delegates, including Soviet party leader Brezhnev, stressed standard views on Vietnam, Communist unity, and European security, but gave varying assessments of the alleged West German "revanchism." [REDACTED]

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FRANCE TO RESUME NUCLEAR TESTING IN THE PACIFIC

The French have announced that a new series of atmospheric nuclear tests will be held in the Pacific between 1 June and 15 July. According to the announcement, there will be fewer shots than last year and the yields will be lower. All of the shots will be detonated from balloons to minimize radioactive debris.

France moved its nuclear weapons testing program to the remote site in French Polynesia last year. Between July and October there were five shots, [REDACTED]

[REDACTED] These tests engendered widespread opposition from countries bordering on the Pacific, primarily because of their concern over the health hazard involved. This concern has so far proved largely groundless, however, and Paris has made it clear that adverse world opinion will not sway France's determination to go forward with the program. Thus far, only low-key opposition has been voiced in response to the announcement of the resumption of testing.

The French did not announce the type of devices to be tested this year or the objectives of the program. [REDACTED]

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French officials have stated publicly that France will not detonate its first thermonuclear device until 1968. [REDACTED]

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MIDDLE EAST - AFRICA

The right-wing coup in Greece (see page 18) has raised a number of uncertainties. Even beyond the question of the new political order that will evolve in Greece itself is the problem of Cyprus and how far the action-minded coup leaders may try to go in influencing the situation there.

The Syrian-Israeli border remains troubled by sporadic incidents. Military forces are alert on both sides, but neither gives evidence of preparing a deliberate major operation. In neighboring Lebanon, the delicate internal political balance again is being subjected to strains ensuing from major power rivalries and those of the Arab states.

Cairo's determination to control southern Arabia appears to be hardening. To this can probably be attributed Egypt's flaunting of ex-king Saud in Yemen, and possibly also this week's mob attack on the US Embassy in Taiz.

Afghanistan's Prime Minister Maiwandwal is in political trouble over allegations of his involvement with US intelligence. This could bring him down, but any successor would be hand-picked by King Zahir and probably would keep Afghanistan on its carefully neutral path. India and Pakistan each are still expressing some unhappiness over the US decision to sell military spare parts to both, but otherwise they seem preoccupied with their internal problems.

The prolonged crisis in Nigeria may be nearing a climax. Hard liners around federal government head Gowon are becoming impatient with his temporizing over a response to provocative moves by the East and seem increasingly inclined to precipitate action against the East. In Ghana, the ruling council is unchallenged, but its own internal unity is strained by a debate over the seeming laggard behavior of some senior officers during the hours of confusion last week in Accra. In white Africa, Prime Minister Smith of Rhodesia has turned aside pressure from extremists in his own party who now want to sever the remaining ties with London.

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MILITARY REGIME OVERTHROWS GREEK GOVERNMENT

A swift and well-planned military take-over has left the country's erstwhile political leadership in a virtual state of shock. The coup, carried out by a group of second-echelon military commanders, took both King Constantine and the military high command by surprise. After initially refusing to sanction any of the actions by the coup leaders, the King has now accepted the situation, hoping to use his influence to encourage a move toward parliamentary government once again. Senior military leaders who are unenthusiastic have been retired.

The coup leaders--Colonel Georgios Papadopoulos, now minister to the prime minister; Brigadier General Stylianos Pattakos, now minister of interior; and Colonel Nikolaos Makarezos, now minister of coordination--appear to be strongly moralistic, right-wing reformers. Their first pronouncements of a program revealed a total revulsion against politicians, a desire to revamp the country's social and economic system, and an underlying distrust of the monarchy itself, which traditionally has had the support of the army. Although they expressed the hope for continued good relations with the US and NATO, they say they plan to move forward with their program regardless of foreign reaction.

The inclusion of a limited number of recognizable political

personalities in the cabinet appears at this time to be little more than window dressing. The selection of Konstantine Kollias as premier apparently was the result of a compromise with the King. It is problematical whether the government's performance can match its apparent zeal, given the low state of professional expertise now found in the cabinet and the pitfalls of Greek politics--even of a "purified" variety.

Several thousand Communists and supporters of Center Union (EK) leader George Papandreou have been arrested, and a number have been shipped off to island detention centers used for political prisoners after the Communist guerrilla war of 1947-49. Andreas Papandreou, the leftist son of the ex-EK premier, has been charged with high treason and may soon be prosecuted by the government.

The country appears, at least superficially, to be calm in the wake of the coup; it still is under tight military control. Both the national police and the Royal Gendarmerie are under army orders, and strict press censorship and some civil restrictions are in force, although a late-hour curfew in Athens has been lifted. Only a few instances of resistance, including a scattering of anticoup pamphlets, have been reported. The Communists seem to have been taken as much by surprise as other elements.

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Greek Cypriots are apprehensive that the coup in Athens may be followed by some action on the island, but there has been no firm report of what form it might take. Cypriot President Makarios is acting cautiously, although he probably hopes that this will be an opportunity to solidify his government's independence.

Turkish official reaction to the military take-over has been cautious. There may indeed be some hope in Ankara, particularly

among the military, that a military regime in Athens might be more amenable than the Greek politicians to some settlement of the Cyprus problem. Certain statements issued by the Athens coup group--comparing themselves to the "young Turks" and promising an "honorable solution" on Cyprus--seem designed to appeal to the Turks. Nonetheless, the latter can be expected to respond vigorously if any threat appears to develop to the position of the Turkish Cypriots.

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USSR CONTINUES EFFORTS IN CONSERVATIVE MID-EAST COUNTRIES

The recent Soviet offer of economic assistance to Lebanon is part of a continuing Soviet effort to gain and maintain a foothold in the pro-Western countries of the Middle East. This effort is evident in Iran, Turkey, Jordan, and Saudi Arabia, as well as in Lebanon.

Moscow's efforts to increase its presence in these countries have had uneven results. The most substantial headway has been made in Iran. Several aid pacts have been signed since 1963, the most important being the \$289-million agreement of October 1965 which embraces, among other things, the building of Iran's first steel mill. Since late summer 1966 the Soviets have been exploring for Iranian oil in the off-shore areas

of the Caspian, and in January 1967 agreed to sell military hardware to Iran. The recent visit of the chairman of the Soviet State Planning Committee produced a joint Soviet-Iranian communiqué expressing Soviet willingness to cooperate in Iran's new five-year plan.

The Soviets submitted a bid in early 1966 to participate in the construction of a part of Jordan's Khalid Dam. The \$1.7-million bid was exceptionally low and Soviet officials openly admitted it was politically inspired. The project was awarded to the USSR in November 1966, and Soviet officials have since indicated that Moscow intends to take on further economic projects in Jordan. The Jordanians turned

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down a proffered cultural agreement with the USSR in February because they felt it was too far reaching.

In the past year, Soviet officials have on several occasions sounded out Saudi Arabian diplomats about the possibility of establishing diplomatic relations. The latest such approach was made in Cairo in March when the Soviet ambassador raised the issue with his Saudi counterpart. The Saudis have shown no sign of readiness to respond to the Soviet overtures.

Premier Kosygin's visit to Ankara and Izmir in December 1966 climaxed the USSR's latest attempts to further its "good neighbor" policy with Turkey. The two countries had already signed, in November 1965, an agreement that eventually may involve as much as \$250 million in Soviet credits. Although there has been an upswing in trade over the past several years, there have been no matching gains in the political sphere.

For the sake of breaking the Western monopoly of influence and

establishing a stronger Soviet presence in these countries, Moscow is willing to reap a certain amount of disenchantment on the part of its "progressive" friends. There are reports that the Egyptians are anything but happy about the arms deal with Iran, a country that Nasir views as a potential Persian Gulf rival.

While Moscow has been trying out these new relationships with the various pro-Western countries, its propaganda toward them has become more circumspect. This stood out clearly during the unrest in Jordan following the Israeli attack on 13 November 1966--Soviet news media were noticeably restrained, while Damascus and Cairo were attempting to fan the flames.

Moscow has not hesitated to trade on fear of Nasir to improve its position. Concern over Nasirist ambitions in the direction of the Persian Gulf contributed greatly to the Shah's decision to buy Soviet arms,

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NEW STRESSES ON LEBANESE POLITICAL SYSTEM

Rising political tensions--between Muslims and Christians, and between pro- and anti-Nasirites--are again putting Lebanon's political system to the test. Last month the USSR offered comprehensive economic assistance and when this becomes public knowledge, it can only serve to raise these tensions even higher.

The government of President Hilu so far has been able to keep the Soviet offer secret, and, to avoid accepting it, it is trying to find other sources of aid. The government's freedom of action, however, is limited by its current financial difficulties and by its inability to proceed with the economic development programs it regards as essential to future social and political stability. Leftists and pro-Egyptian elements have criticized the moderate regime for its failure to bring about badly needed reforms and could use the Soviet offer, if it is rejected, as antigovernment propaganda in next year's parliamentary election campaign.

The leaders of these opposition elements find their support among the Muslim majority of the population, much of which looks to Egypt's Nasir as the champion of the Arab cause and would like to see some of Nasir's socialist

experiments tried in Lebanon. They tend to support the Soviet position in international issues, and would welcome Soviet economic assistance such as has been given to Egypt and Syria.

On the other hand, the large Christian minority, which controls most of the commercial enterprises in the country and is firmly committed to Lebanon's free enterprise system, fears any extension of Soviet or Egyptian influence in Lebanon. They tend to side with the West on international issues and with the conservative Arab states in inter-Arab disputes.

The Muslim-Christian rivalry has been aggravated in the last few weeks. Christian leaders charge Egypt with interference in Lebanese internal affairs, and Saudi Arabia has complained that Lebanon is officially showing partiality to Egypt in the Saudi-Egyptian confrontation. Lebanese Muslims counter the Christian charges with accusations of US interference. Attacks against the US in pro-Egyptian Lebanese newspapers have become increasingly hostile, especially since Israel's prime minister implied in an interview published on 17 April in a US magazine that the US Sixth Fleet was protecting Israel.

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In this atmosphere the delicate balance between the country's Muslims and Christians--which is the basis for Lebanon's system of government--is being tested severely, as is Beirut's adherence to a strict policy of neutrality between the major powers and among the Arab states. Presi-

dent Hilu does not have the personal strength that enabled his predecessor, General Shihab, to maintain an equilibrium among Lebanon's political factions, and the Soviet offer, once publicized, will complicate even further Hilu's efforts to this end. [REDACTED]

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ALGERIA STEPS UP AID TO AFRICAN LIBERATION GROUPS

Premier Boumediene, who sharply curtailed Algeria's military assistance to African liberation groups when he overthrew Ben Bella in mid-1965, apparently is prepared to renew this aid in an effort to exert leadership among the disparate organizations.

Responsibility for maintaining liaison with the various African Liberation groups, which had languished in the Foreign Ministry, was transferred in mid-March to Boumediene's headquarters in the presidency of the Revolutionary Council. Major Slimane Hoffman--one of Boumediene's closest advisers as well as intelligence chief and commander of armored units--was placed in charge. Possibly in line with this new responsibility, Hoffman accompanied an Algerian National Liberation Front delegation that toured a number of east and west African States to line up support for a conference

of progressive parties--including liberation movements--to be held in Algiers later this year.

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NIGERIA'S EASTERN "PROBLEM" FURTHER FROM RESOLUTION

As Ojukwu's separatist-inclined Eastern region continues to move even closer to full independence, hard liners in the federal civil service and army are growing increasingly restive over the indecisiveness of the federal response.

In its most sweeping assertion of autonomy so far, Ojukwu's government last week took control of ten federal corporations operating in the East. He also established an independent Eastern Nigeria Marketing Board to sell Eastern agricultural produce abroad, thus bypassing the federal marketing company. The East has now "regionalized" virtually all national institutions except the Nigeria police. The oil revenues, which are paid mostly in London also have been left untouched, but there are indications Ojukwu may try to force payment of these to the East, perhaps by mid-year.

The Supreme Military Council met in Lagos without Ojukwu on 20-22 April to consider the choices of action open to it against the East. [REDACTED]

[REDACTED] the council's principal accomplishment was a relatively meaningless timetable for gradually returning the country to civilian rule by early 1969. This included reconvening on 5 May the ad hoc constitutional conference that has not met since last fall. Prospects for this meeting are not bright, however, since the West's Yoruba leader, Awolowo has refused to participate, probably because he be-

lieves the East will secede and he fears permanent Northern domination of any other federal arrangement. The council's program also called for the eventual creation of additional states, an undertaking favored by federal government head Gowon, who hopes to isolate the East's ruling Ibos by setting up a ring of states to deny them access to both the sea and the coastal oil-producing areas.

Agreement may have been reached at the meeting on some economic countermeasures, however. On 23 April, Lagos instructed shipping companies not to load and export Eastern agricultural produce from Eastern ports. One British company has already complied by refusing to load palm products at an Eastern port.

The dearth of meaningful federal moves to halt the East's progress toward independence is being decried by many federal civil servants and military officers, who keep pushing for stronger sanctions.

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MOBUTU FORMS NEW POLITICAL PARTY IN CONGO (KINSHASA)

Under a new constitution that is to be promulgated in June, political parties will again be allowed after a ban of over a year. The draft constitution, however, will permit only two--presumably, a government party and what President Mobutu intends to be his loyal opposition.

The government party, the Mouvement Populaire de la Revolution (MPR), has already appeared. Backed by Mobutu, who is also president of its national committee, it has an established hierarchy of well known but comparatively weak personalities. The MPR professes to be revolutionary, progressive, and nationalistic; its demands include new social, political, and economic structures, rigorous social discipline, hard work, and political stability.

Several attempts to launch an opposition party, however, have thus far been squashed. The would-be leaders of one such party

were quickly jailed for calling Mobutu an imperialist lackey, and it has become apparent to most Kinshasa politicians that Mobutu intends the MPR to pre-empt the leftist position in the political spectrum. The opposition must therefore assume a position on the right, where it must declare itself against progress of any sort. Politicians have slowed down their attempts to form such an opposition; it will take a brave man--or a Mobutu-appointed one--to do so.

In fact, the Congolese political scene will change very little. Although overt political activity, especially within the MPR, will now be encouraged, decisions will continue to be made behind the scenes by Mobutu and his closest advisers, none of whom hold party offices. It is apparent that, under Mobutu, the MPR will not constitute a new focus of power in the Congo but will function mainly as a mass movement designed to keep the populace enthusiastic toward the regime.

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WESTERN HEMISPHERE

The dispute over tactics between the Cubans and the pro-Soviet Communist parties of Latin America has been intensified by Fidel Castro's renewed call for revolutionary violence. His insistence that this is the only true path to achieve Communism and the publication of a book expounding his theories have contributed to increasingly strained relations between guerrilla groups in Venezuela and Guatemala and the Communist parties in those countries.

The new book, Revlution Within the Revolution?, was written by a French Marxist intellectual, Regis Debray, who was captured by government troops in Bolivia last week. The main point of Debray's thesis is that Latin America needs a dynamic, offensive, rural-oriented guerrilla action in which the guerrilla group takes precedence over the urban-based party and, in fact, becomes the "authentic" party.

In support of these theories, Castro has criticized both Latin American Communists who have backed away from armed struggle, and the Soviets, who have recently made diplomatic and economic overtures to some Latin American governments. Last month, he denounced Venezuelan Communist Party leaders as defeatists and cowards, and berated the Trotskyite wing of the Guatemalan revolutionary forces for staging random urban disorders instead of rural guerrilla warfare.

These polemics are having serious repercussions throughout the hemisphere, and are forcing the orthodox Communist leaders into a position where they must either support or denounce the Castro regime. During the next several months, this situation could worsen. Castro obviously plans to use the Latin American Solidarity Organization conference scheduled for late July to trumpet the armed struggle line, and this may force an open break between Cuba and some pro-Soviet parties.

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DOMINICAN RIGHT INCREASINGLY CRITICAL OF BALAGUER

Increasing right-wing opposition to Dominican President Balaguer was highlighted by the resignation of conservative Luis Amiama Tio on 24 April after little more than one month as minister of interior and police.

Although Amiama's letter of resignation was relatively restrained, he set the stage for further criticism of Balaguer by charging that he had encountered "obstacles" in his investigation of the attack on 21 March on his right-wing ally Antonio Imbert. Amiama criticized Balaguer for failing to give him a free hand in dealing with the police, accused police chief Soto of obstructionism, and warned Balaguer not to depend on "trujillista" advisers.

Deep-seated differences between Amiama and Balaguer were behind the resignation, but the immediate trigger appears to have been a refutation by Minister of Defense Perez of Amiama's charge that "forces exist in the country which the government does not control." This apparently offended [redacted]

Amiama. Subsequently, Amiama characterized Perez as little more than a "puppet" of Balaguer--a charge that may find a receptive audience among military officers who resent Perez' at-

tempts to impose centralized control over the armed forces.

Amiama's charges have been echoed by other conservatives. Attorney General Garcia has urged Balaguer to take firm action to curb an alleged breakdown in law and order, criticized government authorities for failing to solve recurrent incidents of violence, and charged that the government is extending an "open hand" to those once linked with Trujillo. Garcia and other respected conservatives are reportedly pressing Balaguer to make changes in government personnel and policies to blunt such accusations.

The attempted revival of a once-significant conservative political group, the National Civic Union (UCN), may provide a rallying point for those dissatisfied with the government. The UCN recently spelled out its anti-Balaguer position and announced that it is undertaking a reorganization. For the most part, UCN supporters--who represent powerful economic interests and retain at least some of their former influence with the military--have been excluded from power under Balaguer.

Dissatisfaction with Balaguer's economic policies appears in part to be behind the stirrings on the

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right. Its nature and extent are not completely clear, but it may be caused by the sluggish performance of the economy and by growing pressure on Balaguer to tighten import restrictions and hike taxes.

So far, rightist criticism has been largely indirect and

in some cases well intended. Unless Balaguer receives it in this spirit and makes some effort to deal with it constructively, he will play into the hands of those rightists who are seeking the government's collapse.

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SECURITY SITUATION DETERIORATING IN GUATEMALA

The security situation in Guatemala has been deteriorating for many months and further trouble is likely.

Since last August, terrorism conducted by Communists and right-wing vigilante groups has taken at least 100 lives, and government forces have killed some 80 alleged guerrillas in the field.

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An upsurge in Communist activity will probably spark new countermeasures by the security forces and the right-wing groups. As in the past, their zeal to eradicate Communism in Guatemala may make them less than selective in choosing their victims, and more innocent lives may be lost. Public confidence in the security forces, which has decreased in the past few months, is likely to be further weakened.

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GROWING NATIONALISM AND ANTI-AMERICANISM IN BRAZIL

There is a growing trend toward anti-Americanism and nationalism in Brazil which, while not yet alarming, has caused some unpleasant incidents.

US Ambassador Tuthill has twice been the object of student demonstrations, apparently backed by Communists and extremists, protesting the war in Vietnam and US aid to Brazilian education. Police waded into demonstrators at the University of Brasilia moments after the ambassador had presented a Kennedy memorial book collection. Several students were injured and many were arrested. Although most injuries were caused by students fighting among themselves, the opposition and press have been quick to cry "police brutality." There had already been protest rallies in Brasilia and Sao Paulo, and the university incident has touched off other student disturbances which could continue for some time.

Anti-Americanism also has cropped up in a recent dispute involving foreign-owned meat packing plants in the southern state of Rio Grande do Sul and in protests against US aerial mapping surveys and other activities.

Press treatment of the US has become more hostile since just before the advent of the Costa e Silva administration on 15 March, and this is having a cumulatively adverse effect.

There is no concrete evidence that this trend has been stimulated by either the Foreign Ministry or the new President. Leftist-inclined newsmen, however, seem to believe that they have a green light from the administration to play up its newly "independent" foreign policy, often in the context of "standing up to the US." This aspect of the recent summit conference was emphasized in many Brazilian newspaper accounts of the proceedings at Punta del Este, and the effect has been undeniably beneficial to Costa e Silva's domestic image.

The net effect of the change-over in administration has been to encourage the nationalism that is never far below the surface, and to arouse the apprehension of conservative Brazilians that there will be a return to irresponsible foreign and domestic policies. Some of the conservatives have begun to rally around former planning minister Roberto Campos, the architect of the fiscal reforms and stabilization program of the Castello Branco administration. Prospects for stability will be greatly influenced by the balance Costa e Silva strikes between his desire for public acceptance--which feeds upon nationalism and "independence"--and the need to maintain unpopular credit and wage controls and to take other measures to restrain inflation.

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BOLIVIAN GUERRILLAS SUFFER FIRST SETBACK

The Bolivian Army has scored its first successes against Communist guerrillas who have been operating in the southeast since 23 March. Army patrols engaged in routine probing operations have clashed with guerrilla units several times since 20 April, inflicting a few casualties and taking a number of prisoners.

Among those captured is Jules Regis Debray, a young French Marxist theoretician and author of Revolution Within the Revolution?, an analysis of why the revolutionary effort in Latin America has failed everywhere except in Cuba and of what needs to be done to get it back on course. Debray is strongly pro-Castro, has spent considerable time in Cuba, and is suspected of being a coordinator of Cuban-directed insurgency in Latin America.

Debray and several of the other prisoners have been taken to La Paz for further interroga-

tion.

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President Barrientos and top military leaders continue to believe that the guerrilla problem can be solved only if the armed forces obtain modern equipment, despite the fact that Bolivian troops are not trained to use it. The high command refuses to commit its best units to the guerrilla zone out of fear that other dissident groups are preparing an immediate insurrection in other parts of the country.

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The recent government successes will help counter the political and psychological impact of repeated army reverses and may discourage other dissidents.

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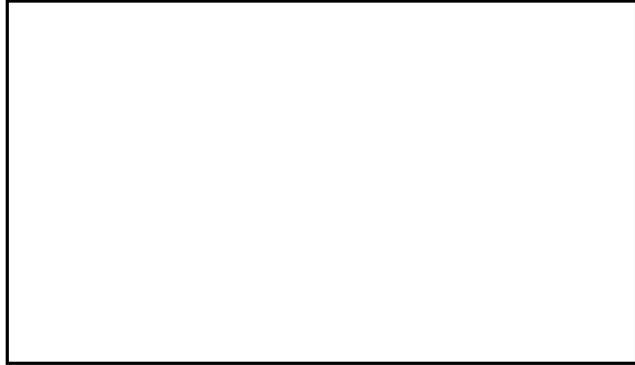
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VENEZUELAN-GUYANESE RELATIONS WORSEN

Venezuela's latest attempt to reinforce its claim to more than two thirds of Guyana's territory has backfired, increasing Prime Minister Burnham's irritation over Caracas' actions on this long-pending problem and raising the possibility of further diplomatic turmoil over the issue.

The dispute stems from the border settlement reached with Britain some 70 years ago, while Guyana was still a British colony. Venezuela insists the settlement was fraudulent and therefore invalid. A border commission set up by Venezuela and Guyana last year to review the earlier award has made little progress, and Venezuela has staged a number of incidents in the hope of speeding a favorable commission report.



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Burnham threatened to go to the UN late last year after an incident in which Venezuela put troops on a disputed border island. He was dissuaded then, but the recent fiasco will probably strengthen his resolve to do so soon unless direct negotiations with Venezuelan authorities offer more prospects for success from Burnham's point of view than has heretofore been the case.

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